Labour Market Bulletin

Newfoundland and Labrador

April 2018

This Labour Market Bulletin is a report providing an analysis of Labour Force Survey results for the province of Newfoundland and Labrador, including the regions of Avalon Peninsula, West Coast—Northern Peninsula—Labrador, Notre Dame—Central Bonavista Bay and South Coast—Burin Peninsula.

OVERVIEW

The unemployment rate increased to 14.5% in April, from 14.2% the month before, due to a modest decline in employment. Most of the job losses were in part-time employment. On a year-over-year basis, the unemployment rate also edged higher, as a decline in employment was accompanied by an even faster decline in the size of the labour force. Over the past year, Newfoundland and Labrador held the distinction of having the sharpest drop in both employment and the size of the labour force. It was also the only province whose working age population shrank.

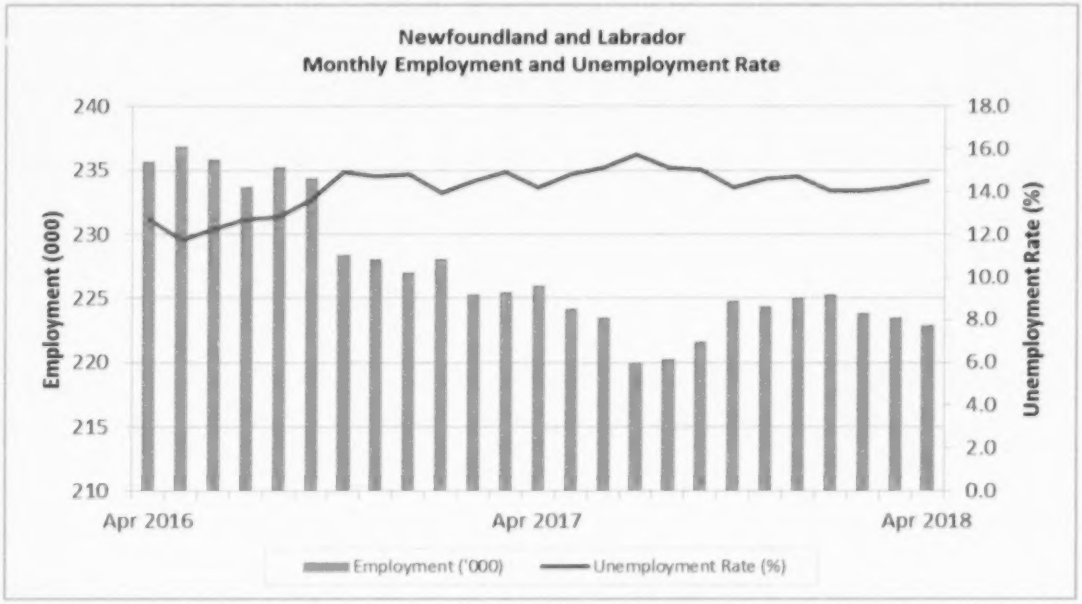
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	Apr 2018	Mar 2018	Apr 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	444.2	444.5	445.7	-0.3	-0.1	-1.5	-0.3
Labour Force ('000)	260.8	260.6	263.3	0.2	0.1	-2.5	-0.9
Employment ('000)	222.9	223.5	226.0	-0.6	-0.3	-3.1	-1.4
Full-Time ('000)	191.2	191.0	193.1	0.2	0.1	-1.9	-1.0
Part-Time ('000)	31.8	32.5	32.9	-0.7	-2.2	-1.1	-3.3
Unemployment ('000)	37.9	37.1	37.3	0.8	2.2	0.6	1.6
Unemployment Rate (%)	14.5	14.2	14.2	0.3	-	0.3	-
Participation Rate (%)	58.7	58.6	59.1	0.1	-	-0.4	-
Employment Rate (%)	50.2	50.3	50.7	-0.1	-	-0.5	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

A sustained decline in employment since the spring of 2016 had brought the unemployment rate to a seven-year high of 15.7% in July 2017. Since October of last year, however, the unemployment rate has remained around 14% as the decline in employment was matched by a similar reduction in the size of the labour force. Despite having fallen somewhat from its peak during the summer of 2017, the unemployment rate remains notably elevated compared to its 2013 and 2014 levels of below 12%.



The youth (aged 15 to 24 years) unemployment rate (16.3%) increased by 0.5 percentage points in April, compared to the previous month. The main catalyst was a very small increase in labour force size. On a year-over-year basis, the unemployment rate grew slightly, as the decline in the labour force marginally outpaced the decline in employment.

Among males 25 years and older, the unemployment rate increased from the previous month. While employment showed little change, the size of the labour force registered its strongest gain in two years. Generally speaking, employment among this group has remained fairly stable over the past year, but a small increase in the size of the labour force has lifted the unemployment rate moderately.

Labour market conditions in recent years have generally been more stable among females in the 25 years and over category. The level of employment and the labour force have shown little change overall in the past four years. Females 25 years and older had a notably lower unemployment rate than for males of the same age group, continuing a long-term trend.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	Apr 2018	Mar 2018	Apr 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	14.5	14.2	14.2	0.3	0.3
25 years and over	14.3	14.0	13.9	0.3	0.4
Men - 25 years and over	18.1	17.3	17.5	0.8	0.6
Women - 25 years and over	10.3	10.7	10.2	-0.4	0.1
15 to 24 years	16.3	15.8	15.7	0.5	0.6
Men - 15 to 24 years	16.6	16.4	19.9	0.2	-3.3
Women - 15 to 24 years	16.1	15.1	10.4	1.0	5.7

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

EMPLOYMENT BY INDUSTRY

In April, an employment loss in the **Goods-producing sector** was nearly offset by a gain in the **Services-producing sector**. **Construction** employment declined for the second month in a row, erasing gains earlier in the year. While the level of employment in **Manufacturing** declined in April, it remained notably higher than its record low a year earlier. Employment in food manufacturing continues to be relatively subdued, given some of the negative pressures impacting the industry, including quota cuts for crab and shrimp. Employment in **Forestry, fishing, mining, quarrying, oil and gas** has also been in decline. Furthermore, employment levels in recent months have been among the lowest for the industry since 1978. The majority of the weakness in recent years has been concentrated in **Mining and oil and gas extraction**, where employment levels have fallen substantially over the better part of the past decade.

The **Services-producing sector** experienced an employment gain compared to the previous month. **Accommodation and food services** had the largest increase, reaching its highest level in nearly two years. This industry also registered the largest employment growth on a year-over-year basis. Employment in **Educational services** has remained relatively unchanged since the fall of 2017. **Professional, scientific and technical services** employment increased for the third month in a row. However, this follows a sustained period of job losses in the industry that lasted over two years. Much of the loss in this industry was related to a drop in Architectural, engineering and design services, as major project investment in mining and oil and gas continued to decline from peak levels. While employment in **Transportation and warehousing** rebounded in 2017, it has been in decline for most of 2018. **Wholesale and retail trade** employment fell to its lowest point in more than five years in April. Over the year, **Trade** has led the overall employment decline among all industries, losing 5,400 jobs over this period.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	Apr 2018	Mar 2018	Apr 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	222.9	223.5	226.0	-0.6	-0.3	-3.1	-1.4
Goods-producing sector	46.1	48.6	46.2	-2.5	-5.1	-0.1	-0.2
Agriculture	1.8	2.0	1.9	-0.2	-10.0	-0.1	-5.3
Forestry, fishing, mining, quarrying, oil and gas	11.4	12.3	12.1	-0.9	-7.3	-0.7	-5.8
Utilities	3.3	3.1	2.8	0.2	6.5	0.5	17.9
Construction	20.4	20.9	21.4	-0.5	-2.4	-1.0	-4.7
Manufacturing	9.1	10.2	8.0	-1.1	-10.8	1.1	13.8
Services-producing sector	176.9	174.9	179.8	2.0	1.1	-2.9	-1.6
Trade	36.4	36.9	41.8	-0.5	-1.4	-5.4	-12.9
Transportation and warehousing	11.0	11.7	10.7	-0.7	-6.0	0.3	2.8
Finance, insurance, real estate and leasing	7.0	6.7	6.2	0.3	4.5	0.8	12.9
Professional, scientific and technical services	9.3	8.9	10.4	0.4	4.5	-1.1	-10.6
Business, building and other support services	6.4	6.7	6.6	-0.3	-4.5	-0.2	-3.0
Educational services	15.8	15.6	14.7	0.2	1.3	1.1	7.5
Health care and social assistance	39.3	39.3	41.3	0.0	0.0	-2.0	-4.8
Information, culture and recreation	6.8	6.1	6.6	0.7	11.5	0.2	3.0
Accommodation and food services	16.6	15.6	13.7	1.0	6.4	2.9	21.2
Other services	12.0	12.0	12.1	0.0	0.0	-0.1	-0.8
Public administration	16.3	15.6	15.6	0.7	4.5	0.7	4.5

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

REGIONAL ANALYSIS

The unemployment rate on the **Avalon Peninsula** increased by 2.1 percentage points since April of 2017, as employment declined faster than the rate at which the labour force shrank. Job losses in April were concentrated in services-producing industries, with **Trade** reporting the majority of the decline. **Transportation and warehousing** and **Finance, insurance, real estate and leasing** have been exceptions in the service sector, showing recent gains. Employment in the **Goods-producing sector** increased for the fourth straight month after a long period of losses. There were gains throughout the sector, with the exception of **Forestry, fishing, mining, quarrying, oil and gas**.

The **South Coast–Burin Peninsula and Notre Dame-Central-Bonavista Bay** region's unemployment rate declined in April from twelve months earlier. Employment increased by 3,800 jobs, the majority of which were full-time jobs. The increase in employment was spread across most industries. **Professional, scientific and technical services** and **Health care and social assistance** were notable exceptions, having registered sharp declines in recent months.

In the **West Coast–Northern Peninsula–Labrador** region, the unemployment rate dropped by five percentage points compared to April of 2017. While there were fewer people in the labour force, employment has increased over this time and gains have been full-time in nature. The employment growth was concentrated in the **Services-producing sector**. **Educational services**, **Public administration**, and **Accommodation and food services** have been leading the region's employment gains in recent months.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	Apr 2018 ('000)	Apr 2017 ('000)	Yearly Variation (%)	Apr 2018 (%)	Apr 2017 (%)	Yearly Variation (% points)
Newfoundland and Labrador	214.2	215.7	-0.7	16.3	16.8	-0.5
Economic Regions						
Avalon Peninsula	125.5	131.9	-4.9	13.1	11.0	2.1
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	49.6	45.8	8.3	22.1	25.6	-3.5
West Coast-Northern Peninsula-Labrador	39.1	38.0	2.9	18.2	23.2	-5.0

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey - CANSIM Table 282-0122

Note: *In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.*

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For information on the Labour Force Survey*, please visit the Statistics Canada Web site at: www.statcan.gc.ca*

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